Wakefern Food Corporation

SHOPRITE

F Financial

O Opportunity

with a

C Custom Program

to

U Underscore

S Shared Success

Source: https://www.industrydocuments.ucsf.edu/docs/skky0000

Program Structure

- Establish RJR Share of Market from shipments to your stores.
- Six Month Program Period- May 2, 1994 to October 28, 1994, to develop your RJR shipments to stores and Share of Market Performance.
- Payment is based on all RJR Full Price and Savings Brands shipped to your stores.

WORTH INCLUDED

Source: https://www.industrydocuments.ucsf.edu/docs/skky0000

Program Payment

- Payment is calculated on a per carton basis, by RJR Full Price and Savings cartons shipped to stores from May 2, 1994 thru October 28, 1994.

- Per carton rates vary depending upon your RJR Share of Market results and frequency/detail of sales information provided.

Source: https://www.industrydocuments.ucsf.edu/docs/skky0000

Payment Plans

YOU CHOOSE THE PLAN THAT BEST SUITS YOUR OPERATIONS TO REPORT YOUR SALES INFORMATION.

⇒ Plan A
- > Report weekly all cigarette carton sales via computer tape or disk.
- > Account Specific
- > Brand UPC Specific
- > Manufacturer Specific

[or]

⇒ Plan B
- > Report monthly all cigarette carton Sales by Manufacturer
- > By RJR Full Price and Savings

Source: https://www.industrydocuments.ucsf.edu/docs/skky0000

Program Payment Schedule

Sales Information Reporting Plans

Plan A

Payment Fm Info.

Total RJR SOM Ranges	Full Price Carton	Savings Carton
-.1 to -2.0%	$ .04	$ .03
Maintain to 1% increase	.12	.08
1.1 to 2.0% increase	.14	.09
2.1 to 3.0% increase	.16	.10
3.1 to 4.0% increase	.18	.11
4.1 to 5.0% increase	.20	.12
5.1 to 6.0 %increase	.22	.13
6.1% + increase	.24	.14

Source: https://www.industrydocuments.ucsf.edu/docs/skky0000

Program Payment Schedule

Plan B

Total RJR SOM Ranges	Full Price Carton	Savings Carton
Maintain to 1.0% increase	$ .08	$.05
1.1 to 2.0% increase	.10	.06
2.1 to 3.0% increase	.12	.07
3.1 to 4.0% increase	.14	.08
4.1 to 5.0% increase	.16	.09
5.1 to 6.0% increase	.18	.10
6.1% + increase	.20	.11

Source: https://www.industrydocuments.ucsf.edu/docs/skky0000

R. J. Reynolds Tobacco Company

FOCUS PROGRAM

Plan A

Wakefern Food Corporation

1993 Full Price Shipments **9,000**

1993 Savings Shipments **2,583**

Total RJR SOM Ranges	RJR Full Price			RJR Savings			Total
	Cases Sold	Rate	Payment	Cases Sold	Rate	Payment	Payment
-0.1 to -2.0	9,000	$2.40	$21,600	2,583	$1.80	$4,649	$26,249
+0.0 to +1.0	9,000	$7.20	$64,800	2,583	$4.80	$12,398	$77,198
+1.1 to +2.0	9,000	$8.40	$75,600	2,583	$5.40	$13,948	$89,548
+2.1 to +3.0	9,000	$9.60	$86,400	2,583	$6.00	$15,498	$101,898
+3.1 to +4.0	9,000	$10.80	$97,200	2,583	$6.60	$17,048	$114,248
+4.1 to +5.0	9,000	$12.00	$108,000	2,583	$7.20	$18,598	$126,598
+5.1 to +6.0	9,000	$13.20	$118,800	2,583	$7.80	$20,147	$138,947
+6.1 to	9,000	$14.40	$129,600	2,583	$8.40	$21,697	$151,297

FOCUSA.XLS

Source: https://www.industrydocuments.ucsf.edu/docs/skky0000

R. J. Reynolds Tobacco Company

FOCUS PROGRAM

Plan B

Wakefern Food Corporation

1993 Full Price Shipments	1993 Savings Shipments
9,000	2,583

Total RJR			RJR Full Price			RJR Savings			Total
SOM Ranges			Cases Sold	Rate	Payment	Cases Sold	Rate	Payment	Payment
0.0	to	+1.0	9,000	$4.80	$43,200	2,583	$3.00	$7,749	$50,949
+1.0	to	+2.0	9,000	$6.00	$54,000	2,583	$3.60	$9,299	$63,299
+2.1	to	+3.0	9,000	$7.20	$64,800	2,583	$4.20	$10,849	$75,649
+3.1	to	+4.0	9,000	$8.40	$75,600	2,583	$4.80	$12,398	$87,998
+4.1	to	+5.0	9,000	$9.60	$86,400	2,583	$5.40	$13,948	$100,348
+5.1	to	+6.0	9,000	$10.80	$97,200	2,583	$6.00	$15,498	$112,698
+6.1	to		9,000	$12.00	$108,000	2,583	$6.60	$17,048	$125,048

FOCUSB.XLS

Source: https://www.industrydocuments.ucsf.edu/docs/skky0000

Focus- Key Points

- Payment discount based on account share performance not on area.
- Case payments have no deductions, IE: FET minus discount terms, EFT minus off invoice allowances etc.
- No deductions made for returned goods.
- Share objectives will not change throughout program period, (May 2-October 28, 1994)
- Plan flexibility offers both weekly and monthly reporting of data.
- No reduction in payment for private label brands.
- Program requires only a semi-annual inventory.

Source: https://www.industrydocuments.ucsf.edu/docs/skky0000

FOCUS Program- Key Dates 1994

- **April 29- First inventory must be taken (or provided by account)**
  > Computer data is acceptable- Spot check of random brands must be performed.
- **May 2 - Program begins**
- **October 28 - Program ends, inventory required**

Source: https://www.industrydocuments.ucsf.edu/docs/skky0000

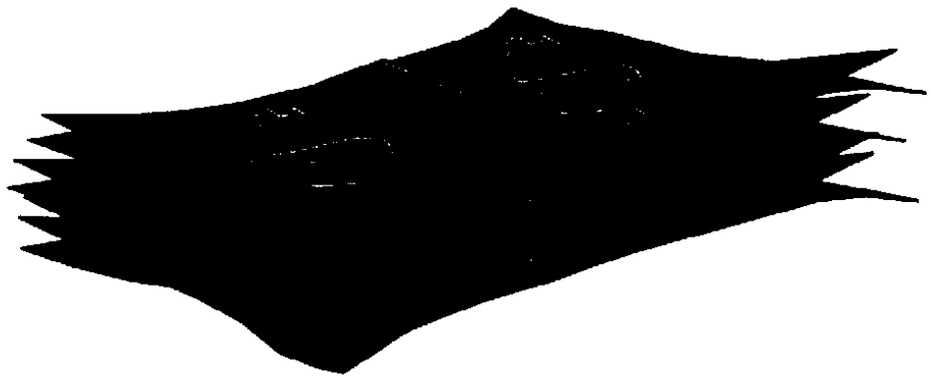
BUSINESS RECOMMENDATIONS

- Analyze brand mix to maximize sales potential.
- Take advantage of <u>all</u> Special Programs in a timely manner:
  - > New brands purchased during allocation period.
  - > Additonal voulme buy-ins as they occur.
- Use *"Price Plus"* program to increase volume:
  - > Winston or Salem price reduction
  - > MONARCH price reduction
- Place emphasis on sales of WORTH in stores:
  - > Communicate importance of pricing/advertising/display
  - > *"Price Plus"* - 2nd, 3rd, and 4th Quarters
- Minimize outside buying.
- Ensure that all stores understand the importance of the Cigarette Department to overall profit picture:
  - > Minimize out of stocks.
  - > Proper emphasis on merchandising and single pack sales.
  - > Importance of Savings Brands to meet consumer demand.

Source: https://www.industrydocuments.ucsf.edu/docs/skky0000

Introducing..... A New Business Building Program For Your Cigarette Department.

FOCUS



Presented By

R. J. Reynolds Tobacco Company

March 1994

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